

North Dakota Farmers Union

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National Animal Identification System
Animal and Plant Health Inspection Service, PPD
Regulatory Analysis and Development
Station 3C71
4700 River Road, Unit 118
Riverdale, MD 20737-1238

RE: Docket No. 05-015-1 — National Animal Identification System

Dear APHIS:

North Dakota Farmers Union, the largest general farm organization in the state of North Dakota, welcomes the opportunity to comment on USDA's Draft Strategic Plan and Draft Program Standards for the National Animal Identification System (NAIS).

The implementation of a rapid identification system to contain animal disease outbreaks is important for consumers, foreign trade, national security, and the high-quality reputation of our nation's livestock. The financial cost to producers to implement the program and the economic risk it poses, if system confidentiality is breached, is of equal and significant concern. In North Dakota, animal and crop agriculture is the cornerstone of our economy and a \$3 billion industry. Nearly 19% of our annual agricultural cash receipts are generated from the livestock industry. Compliance with NAIS should not, in any way, overly burden livestock producers or harm their livelihood.

We have framed our comments, below, to address some of the questions outlined in the Federal Register notice of availability (Volume 70, Number 87, pages 23961-23963) that was posted May 5, 2005.

A Mandatory vs. Voluntary Program

In order to achieve a nationwide system of instantaneous traceability, the NAIS must obviously become a mandatory program. Reliable tracking requires industry wide participation and compliance with uniform standards of identification.

Much credit should be given to the cattle industry's current identification methods — ear tags, brands, tattoos — which have helped pinpoint infectious animals within the nation's herd. But to increase the speed at which animals are tracked, information must be collected and compiled at an even greater rate; the promise of which is contained in technological advancements in radio frequency identification and even retinal scanning.

In addition, a national ID program that complies with international standardization practices will allow for easy tracking of foreign cattle on U.S. soil. Last year's discovery of BSE in a Washington state cow of Canadian origin, and the recent BSE discovery in a Texas cow that was retested several times for the disease, demand

the implementation of a system that provides instantaneous traceability. This is particularly true in light of past initiatives by meat packers to allow foreign cattle to be labeled as “U.S. beef” if animals are fed in the United States for 100 days and then processed here. Ownership does not tell the tale of origin.

North Dakota Farmers Union believes that information gathered through a national animal ID program should also be maintained and utilized to augment a mandatory country-of-origin labeling program at the retail level. As outlined in the draft program standards, imported animals would be identified with an official RFID tag of their country of origin or off-loaded at the U.S. border and tagged before entry is allowed. This process will provide further verification of origin information for a U.S. labeling program, and will strengthen America’s ability to identify and contain food pathogens or other food safety factors prior to products reaching the retail shelf.

Compliance Assurance

As outlined in the NAIS draft plan, producers will be responsible for having their animals identified before moving them to a premises where they will be commingled with other animals (e.g. sales barn, fair). Therefore, it should not be the responsibility of a sales barn or event manager to police compliance. However, commonsense should prevail given the fact that RFID device tags will be visually noticeable (white with black lettering, U.S. logo and animal identification number attached to the animal’s left ear). If animals lack the proper ID tag, event managers should halt commingling.

Tagging Sites

The cost to taxpayers for providing facilities to tag animals seems to be an unnecessary expense if RFID tags are applied in the same fashion as ear tags. Ranchers that graze their cattle on the open range may not have access to gating or corrals, but animals can be secured long enough to attach an ear tag.

As the NAIS is phased in, tagging services will no doubt be provided by veterinarians, sales barns, and independent contractors although the cost of implementing this program should not become a financial burden for producers. For those producers doing their own tagging, how expensive will the official identification devices be that will be distributed and readily available to producers to purchase, according to the Draft Program Standards? Will one company have a corner on the market on these devices?

Animal Movement Reporting

We believe USDA needs to clearly delineate to producers their role and responsibilities in implementing NAIS. A comprehensive educational component is vital for compliance and success.

In order to successfully track the movement of cattle from one premises to another in a sales arrangement, we believe the buyer should be responsible for relaying new premises information to NAIS. Once that information has been received, the producer should receive some form of confirmation from NAIS that verifies receipt of the information and its content. In this way, the seller can verify the accuracy of the information reported and avoid bogging down the system by submitting duplicate information.

Age Limit Considerations

While the effectiveness of any trace back system relies on the timeliness of inputs, we do not feel a time frame or age limit for identifying animals should be imposed on producers. Typically, all cattle are worked at least once a year. Calves or other animals that haven’t been inputted into the system could be required after their “first working” rather than basing compliance on age of the animal or time of year. This will allow flexibility for working ranches, and further protect proprietary information.

NAIS Time Lines/Cost

We believe a phased-in approach for NAIS implementation is best-suited for producers and will buy time for advancements in technology to improve RFID devices. The 2008 time line for premises and animal identification is doable given education and instruction, affordable tools (tags and reading devices) and services.

The cost of implementing and maintaining a verifiable identification system is of great concern to livestock producers, and is an added expense they will not recoup in the marketplace. While the federal government is assisting with implementation, state governments and industry participants will bear the brunt of the expense. Because the NAIS is of national scope and interest, we believe the public should bear the greater burden of development and day-to-day management costs associated with the program.

It is imperative that a disproportionate amount of costs do not fall on livestock producers, particularly smaller producers, which would handicap their competitiveness in the marketplace.

Time Lines for Non-Bovine Species

The success of any animal ID program is dependent on full participation and shared responsibility throughout all livestock industries for the program.

All livestock species and industries are unique and must be considered at the onset of implementation. A “one-size fits all” approach should not be taken and some flexibility should be allowed.

Methods for Submitting Information

For livestock producers, the most efficient methods of submitting information to the national database would be online via the Internet, over the telephone (toll-free line), or through the mail (although the 24-hour time frame requirement for reporting animal movements would depend on the speed of mail delivery).

Information Protection

Only information that is essential to the enhancement of animal disease surveillance and monitoring should be stored in the federally-managed database. While state and regional ID systems will be able to collect and maintain more information than is required for the national repository, producers should not be forced to divulge information that goes beyond that benchmark. NAIS data must be kept confidential, period. Efforts to access that information through the Freedom of Information Act should be challenged.

A Privately-Managed Database

The greatest pitfall of the NAIS is the inherent risk that information will be unfairly and improperly accessed and utilized by others. It is paramount that effective liability protection fire walls be in place for all databases at all levels.

North Dakota Farmers Union is adamantly opposed to the “industry-led initiative” that suggests a privately managed database replace management of data on animal tracking in the NAIS. Private interests cannot guarantee confidentiality. The insider information an industry group would have access to or could glean from the data — herd size, probably slaughter dates based on animal age, distance to markets, etc. — would give them an unfair advantage in the marketplace and taint price discovery.

The program should be maintained at a public agency, such as USDA, to ensure that private and proprietary information is not revealed, which could financially harm producers and/or the operation of livestock markets. The database must be kept and controlled by the government and not subcontracted to new or established private enterprises.

In North Dakota, we are very uncomfortable that, by law, the North Dakota Stockmen’s Association is

designated to serve as the state's administrator and allocator for any federally-sponsored animal identification program pertaining to cattle, horses or mules. This is a private advocacy organization that is accountable only to its membership. If this organization's national umbrella, the National Cattlemen's Beef Association, assists its state affiliate with data collection in North Dakota, we believe confidentiality will inevitably be breached.

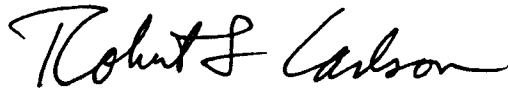
NCBA claims to represent the interests of livestock producers across the country, but the organization also is the mouthpiece for the meat packing industry. The threat of proprietary leaks is too great for any private entity. Once information is leaked, the damage cannot be undone. Government operation and prosecution of any felonious breaches in the system must be put in place.

Additionally, we believe producers should not be held liable for any food-contamination incidents that occur, such as e-coli contamination, when meat is improperly processed or refrigerated and beyond the control of farmers and ranchers.

In closing, our organization believes the implementation of a rapid identification system to contain animal disease outbreaks is important for consumers, foreign trade, national security, and the high-quality reputation of our nation's livestock. But the financial cost to producers to implement the program and the economic risk it poses, if system confidentiality is breached, is of equal and significant concern. North Dakota Farmers Union stands ready to assist APHIS with finding solutions to these important issues.

Sincerely,

NORTH DAKOTA FARMERS UNION

A handwritten signature in black ink, reading "Robert L. Carlson". The signature is fluid and cursive, with the first name "Robert" and last name "Carlson" clearly distinguishable.

Robert L. Carlson
President